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SENATE UNIT ASSAILS PRESIDENT AND AIDES IN BILLY CARTER CASE

JUDGMENT ON LIBYA CRITICIZED

But Panel Finds No Evidence That
U.S. Policy Was Influenced —
No Illegal Activity Cited

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Special to The New York Times

WASHINGTON, Oct. 2 — A special Senate subcommittee concluded unanimously in a voluminous report published today that President Carter and high officials of his Administration had exercised poor judgment in the way they handled Billy Carter's relationship with Libya.

The subcommittee declared that its nine-week investigation had turned up no evidence that the President's brother had

Subcommittee conclusions and White House responses, page B6.

influenced the policies of the United States, and the report cited no examples of illegal or clearly unethical action on the part of Government officials.

As distinct from the way President Nixon's staff reacted after the Watergate burglary, there is no indication that the White House had attempted to interfere with the Justice Department's investigation of Billy Carter, the Senators found.

President Held Negligent

But the panel found that the President had been negligent in not dissociating himself and his Administration from his brother's unorthodox activities and that he had made an "ill-advised" decision to allow Billy Carter to serve as an intermediary with the Libyans in an effort to obtain the release of the American hostages in Iran.

The subcommittee also concluded that Attorney General Benjamin R. Civiletti, Zbigniew Brzezinski, the President's national security adviser, and Adm. Stansfield Turner, the Director of Central Intelligence, had dealt with information available to them in an unprofessional manner.

The three officials, the report states, made incorrect decisions about how to handle intelligence information because they did not consult with one another or with their subordinates.

Mr. Brzezinski and Mr. Civiletti, the Senators continued, "acted to protect the President from taking personal responsibility in a situation which involved both foreign policy and law enforcement aspects."

Sharply Critical of Billy Carter

Billy Carter, the report states, "merits severe criticism," but the career law-enforcement officials in the Justice Department deserve praise for handling their investigation "honestly and conscientiously."

The White House issued a statement this afternoon declaring that "there may be differing views on judgmental matters" and that, "even in the light of hindsight, the President respectfully differs with the subcommittee's views and believes that each of [his] decisions was correct."

The subcommittee insisted that its report was an interim one and that it was prepared to pursue any further evidence that developed, especially from an investigation now under way by the Justice Department's Office of Professional Responsibility. However, the Senators on the panel said privately that they did not expect the subcommittee to reconvene after today.

The subcommittee was formed with great fanfare last summer, and the early hearings had all the trappings of the famous Watergate hearings of the summers of 1973 and 1974. Ten or 12 separate television crews covered those first hearings, the press tables resembled subway cars at rush-hour and tourists waited in line for hours to get a glimpse of history.

President Carter, however, took much of the sting out of the investigation by publishing a long statement on the case Aug. 4 and holding an hourlong news conference that night. Nothing that subsequently developed belied the facts the President presented, and interest in the investigation gradually waned.

The 249-page report, containing nearly 700 footnotes, is divided into three sections. The first part contains the evidence that was developed, presented in narrative form. The second section contains the panel's unanimous conclusions. The third consists of individual views of the subcommittee members.

No Striking New Evidence

The narrative presents no striking new evidence, but, by placing the events chronologically, it adds weight to the basic conclusion that President Carter should have paid more attention to his brother's activities.

In their separate statements, some of the Senators expressed sharper criticism than did the panel as a whole. For example, Senator Strom Thurmond of South Carolina, the ranking Republican, concluded, "The conduct of the highest officials in the Carter Administration falls far short of the standards the American people have a right to expect from their Government."

Others, however, were more generous. Senator Claiborne Pell, Democrat of Rhode Island, disagreed "with the somewhat harsh tone that runs through the general conclusions" and argued that "hindsight alone can never give us any special license to impugn the good faith of any man."

BILLY CARTER

The panel concluded that Billy Carter's "conduct was contrary to the interests of the President and the United States and merits severe criticism."

It said that the President's brother had allowed himself to become obligated to "a nation whose interests are often inimical to ours."

An arrangement, never consummated, in which Billy Carter was to obtain an additional allocation of Libyan crude oil for the Charter Oil Company of Jacksonville, Fla., formed "the basis for a benefit which the Libyan Government could bestow on Billy Carter whenever Libya concluded that its needs would thereby be served," the report states.

Moreover, the subcommittee declared, the \$220,000 Billy Carter received from Libya was an "additional indicia of the influence or control by Libya over him."

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